Media Release

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ANZ welcomes signing of historic Australia-China Free Trade Agreement

- Offshore RMB trading hub in Sydney to drive regional trade -

ANZ welcomed today's signing of a Free Trade Agreement between Australia and China during President Xi's visit to Canberra, as a historic development that will boost trade and economic growth in both countries.

ANZ Chief Executive Officer Mike Smith said: "Australia's present and future prosperity is closely linked to the growing Chinese economy and the signing of today's free trade agreement is a historic milestone that will boost economic capacity and growth in both countries.

"Many sectors of Australia's domestic economy – in particular natural resources, agriculture and services – will now have access to new sources of foreign investment and the confidence to make longer term investments given the enhanced export opportunities.

"The growing Chinese middle class is the major driver behind our estimates that Australia could gain additional A$710 billion in agricultural exports by 2050 and our farmers are set to benefit in a similar way to how New Zealand benefited from its 2008 FTA with China," Mr Smith said.

Mr Smith also commented on today's announcement that Sydney will be the next offshore Renminbi trading hub as another positive development for trade and investment flows between Australia and China.

"The Renminbi is expected to dominate Asian trade and could become a genuine rival to the US dollar as a global reserve currency. The establishment of an RMB clearing hub in Sydney is an important step that will further strengthen the economic ties between Australia and China, providing greater domestic liquidity as well as more flexible hedging and investment opportunities," Mr Smith said.

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